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ECONOMIC COMMISSION FOR LATIN AMERICA
Office for the Caribbean



MEETING OF
CARIBBEAN GROUP FOR CO-OPERATION
IN ECONOMIC DEVELOPMENT
9-11 March 1981
(Kingston, Jamaica)

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(Transport)

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As requested, I attended the above Meeting on behalf of the Office. Please find attached: (1) Agenda; (2) Annotated Agenda;^{1/} (3) Background Papers;^{1/} (4) Attendance List.^{1/} (This applies only to the Sub-Group Meeting). This attendance list for the Jamaica Meeting was not available before my departure.

1. Private Sector Task Force and IFC Proposal

An experimental facility will be established in Washington D.C. A pledging meeting will be held perhaps at the June CGCED Meeting and work will commence when US\$2 million have been raised. If the experiment proves successful then the facility will be located in the Caribbean.

IDB announced it supports the idea and funding was being considered. The United States promised to commit up to US\$500,000. Other donors were urged to participate.

Guyana requested further dialogue with the Task Force before release of their country report. The facility would be working closely with the Caribbean Association of Industry and Commerce.

2. Export Promotion

Canada has received a request for US\$100,000 for this and this is under review. OAS stated that Credit Incentives were being examined. CARICOM believed that the objectives stated were realistic.

3. Energy

Funding had been sought from the OPEC Special Fund with UNDP and IBRD. There would be a concentration initially on the most promising areas for exploration.

^{1/} Please consult file for this information.

In addition UNDP/IBRD were making a world-wide assessment of energy requirements which would complement the regional energy assessment.

IDB were conducting Off-Shore Seismic Surveys. IDB said these were open to all members and included training for interpretation of results. Programmes were in place for Brazil and Peru and programmes were planned for Jamaica and Haiti. Dominican Republic had expressed interest. For smaller countries to benefit, a joint approach was needed.

USAID gave details of their Energy Development Programme with CARICOM and CDB. They were spending US\$7.2 million. Work on energy requirements had been undertaken in Barbados and Guyana. Antigua would commence shortly.

On a bilateral basis, energy requirements and development of solar and bagasse projects were being considered in the Dominican Republic. Jamaica had had a study on solar and an adviser had been provided to Guyana's National Energy Unit.

IBRD announced that work in Jamaica on different aspects of energy planning had been initiated. Equity capital would be raised between Private Donors and Jamaica if exploration of oil and gas proved successful.

IDB stressed the need for a co-ordination of efforts to maximise benefits to the region.

Canada stated that Petro-Can International would be able to assist Latin America and the Caribbean in exploration. Mini-hydro schemes were being considered in Dominica. However, governments were asking several other donors to examine projects and co-ordination was clearly needed.

Venezuela explained the joint oil facility with Mexico. These funds were to be used to evaluate projects in energy and an announcement could be expected at the June Meeting. The Venezuelan Investment Fund was prepared to undertake pre-investment studies in energy. Funds available from the OPEC Fund would be known by the June Meeting. OLADE programme was also mentioned.

EEC announced a geo-thermal study in St. Lucia and a Biomas experiment in Barbados.

CGCED was urged to endorse the need to establish a co-ordinating mechanism in the region.

OAS told of the Alcohol Fuels programme in Colombia and Costa Rica which was being extended to Dominican Republic and Haiti. There was perhaps the need for an Energy Task Force Group like that established for the Private Sector.

CDB said it was appalled at duplication in the energy sector. Effort, work, manpower and resources were all being wasted.

UNDP agreed to carry out an assessment on current situation for the June Meeting. This would summarise the current technical and financial position. This would mention also the Trinidad Oil Facility.

4. Tourism

It had been agreed to merge CTRC, CTA and ECTA into one organization.

The EEC announced that proposals for a study on European Demand for Caribbean Tourism costing US\$8.2 million had been submitted for funding outside of 5th EDF to obtain additional funding. The EEC funding could be made available for studies in countries outside the ACP group but not for the North American Market study which would need funding from other sources.

5. Transport

It was agreed that the CAMOS Study needed special treatment because of the urgent need to improve facilities.

It was agreed to distribute individual country reports to both Donors and countries affected. While IBRD thought that the reports merited action in some instances corrective measures (such as fire and rescue deficiencies) should take place without any detailed economic feasibility evaluation.

ECLA pointed out the urgency of the situation and suggested that ICAO had shown that in several instances increased revenues could be obtained by the airports to repay any loans necessary. ICAO had offered technical assistance for this. It was also pointed out that Suriname was not included (due to late admission to CGCED). Before the meeting concluded it was established that ICAO would be asked to visit Suriname in the near future and I learned that ICAO will be fielding a mission in April. Further discussions were held privately at Mr. Forde's request (see below).

6. Other Regional Programmes

Canada and IBRD prepared to organize a meeting concerning ECCM this Spring.

- a) There was a need for a consultative group for the smaller states. It would be part of the CGCED effort;
- b) It was not to be an additional pledging mechanism;
- c) It was for preparation of the full CGCED Meeting;
- d) It would be held at the time of the CDB Governors Meeting and before the Donors Paris gathering.

The special problems of the micro-states would be addressed.

They had: special development needs
priorities for assistance
they had to develop realistic expectations
and economic performance

Arrangements were being made to widen attendance to include non-independent states outside ECCM, such as Turks and Caicos, Virgin Islands and Anguilla. ECCM Ministers had agreed to this in principle.

EEC stressed the need to make haste slowly as ECCM Secretariat might cease to exist after July but conceded that assistance to those states would still be needed whatever form of Secretariat existed.

St. Lucia welcomed the proposal stating that in the glamour of the Washington Meeting, the needs of the smaller states tended to be overlooked. A preliminary meeting would help them formulate appropriate requests.

EEC gave an explanation of the Food AID Programme.

The Regional Pool of Experts was not discussed.

7. Information System

All agreed to assist IBRD in this although some changes to the information requested would be made. The minimum individual project ceiling would be raised to \$250,000.

8. The Micro States Meeting would be called by Canada probably on 9 and 10 May in Antigua.

The CGCED Meeting was proposed for 23-26 June in Washington.

9. Under Other Business, there was a request by the Caribbean Association of Industry and Commerce to be granted Observer status at CGCED Meetings. No decision was taken but it was agreed to forward this request to the June Meeting of CGCED.

10. Other Comments

(a) I spoke privately with Mr. Gucovsky and suggested that this Office continue to support the work of CGCED. I suggested that if work was needed in energy and transport prior to the June Meeting UNDP should request assistance if it was required.

(b) Mr. Cofino informed me that IBRD were holding discussions with Santiago concerning the amalgamation of Economic Survey work being done by IBRD and this Office. He stressed that amalgamation of effort was essential.

(c) Mr. Forde was deeply concerned about the safety aspects of the airport in Barbados. I agreed to approach the Canadians to see if Fire and Rescue Training could be made available. I also discussed this with the Resident Representative from Barbados and was informed that IPF has no funds and he agreed I should approach the Canadians for assistance. I undertook to inform both UNDP, Barbados and Mr. Forde of any progress.

FROM: Vice President and Secretary

February 19, 1981

CARIBBEAN GROUP FOR COOPERATION IN ECONOMIC DEVELOPMENT

AD HOC ADVISORY COMMITTEE

1. The Third Meeting of the Ad Hoc Advisory Committee -- established in June 1979 by the Caribbean Group for Cooperation in Economic Development-- will be held at the Pegasus Hotel in Kingston, Jamaica, on March 9 and 10, 1981. The meeting will start at 9.30 a.m. on March 9.
2. The Committee consists of members appointed by the Governments of Antigua, Barbados, Canada, Dominican Republic, Guyana, Jamaica, St. Lucia, United Kingdom, United States and Venezuela. Representatives of the Caribbean Development Bank, Commission of the European Communities and European Investment Bank, Inter-American Development Bank, International Finance Corporation, International Monetary Fund, Secretariats of the Caribbean Community and the East Caribbean Common Market, Organization of the American States, OPEC Fund for International Development, United Nations Development Programme and the World Bank are expected to attend the meeting.
3. The agenda of the meeting will be as follows:
 - a) Report of the Chairman of the Private Sector Task Force
 - b) IFC Proposal for Establishing a Project Preparation Facility for the Caribbean Private Sector
 - c) Work Program on Export Promotion
 - d) Work Program on Energy
 - e) Work Program on Tourism
 - f) Regional Activities in Transportation
 - g) Other Regional Programs
 - h) Proposed Information System on Foreign Assistance Flows
 - i) Work Program for the Fourth Annual Caribbean Group Meeting
 - j) Other Business
4. As a basis for discussion, a working document containing brief notes on the above agenda will be distributed separately.
5. The members of the Committee and development agencies that plan to participate are asked to notify the Vice President and Secretary or Deputy Secretary of the World Bank by March 4, indicating where possible the names of their delegates. Questions about the meeting should be addressed to Mr. Roberto Gonzales-Cofino (Telephone No. 202 477-2181).

Distribution:

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Guyana
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United States
Venezuela

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Caribbean Development Bank (for
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International Monetary Fund
OPEC Fund for International Development
Organization of American States
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